



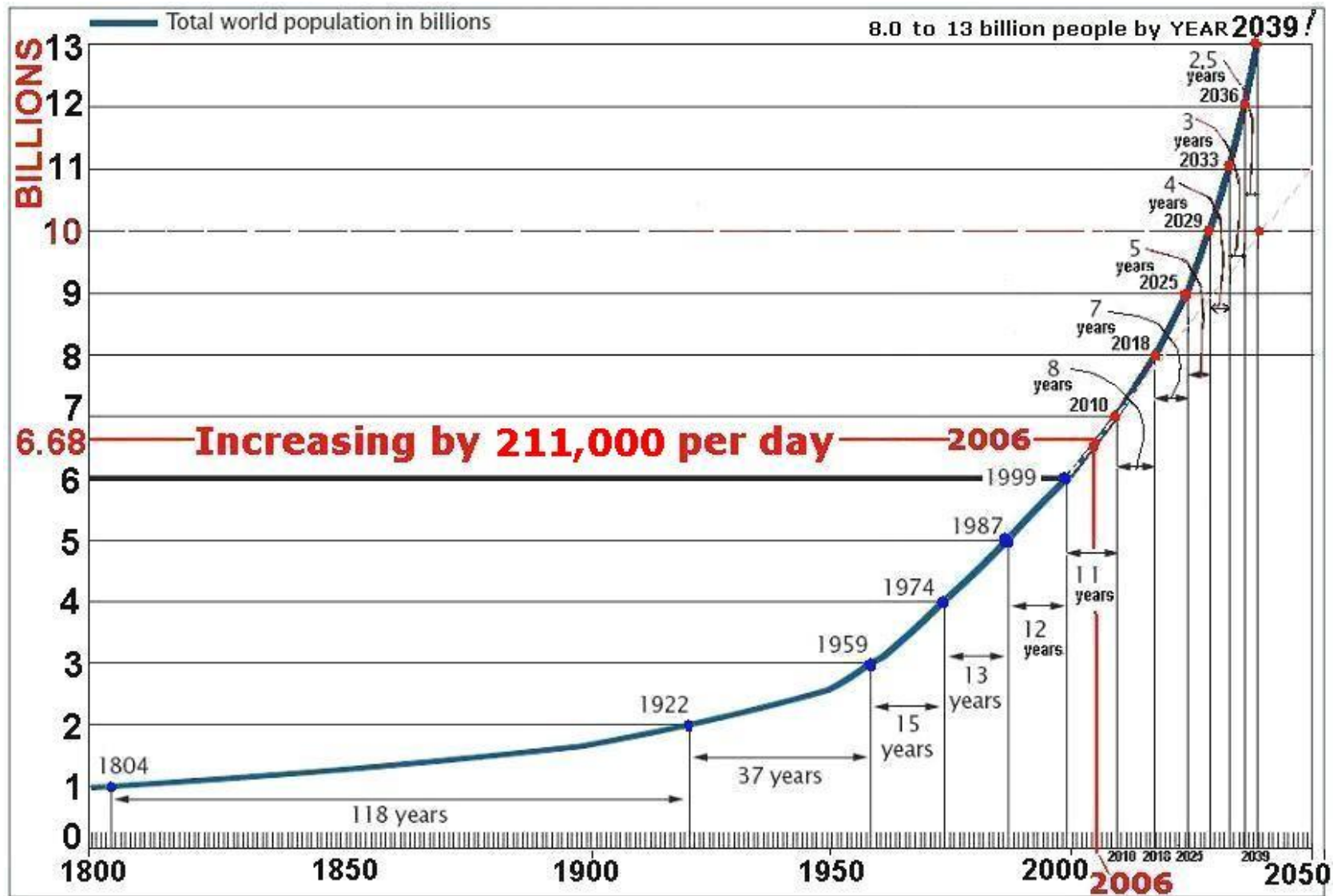
# Lean Government

State Auditor Controller's Conference with County Auditors, November 6, 2014

Elaine Crandall – County of Ventura



# World Population



# Aging Population

**Table 1: Life Expectancy for Social Security**

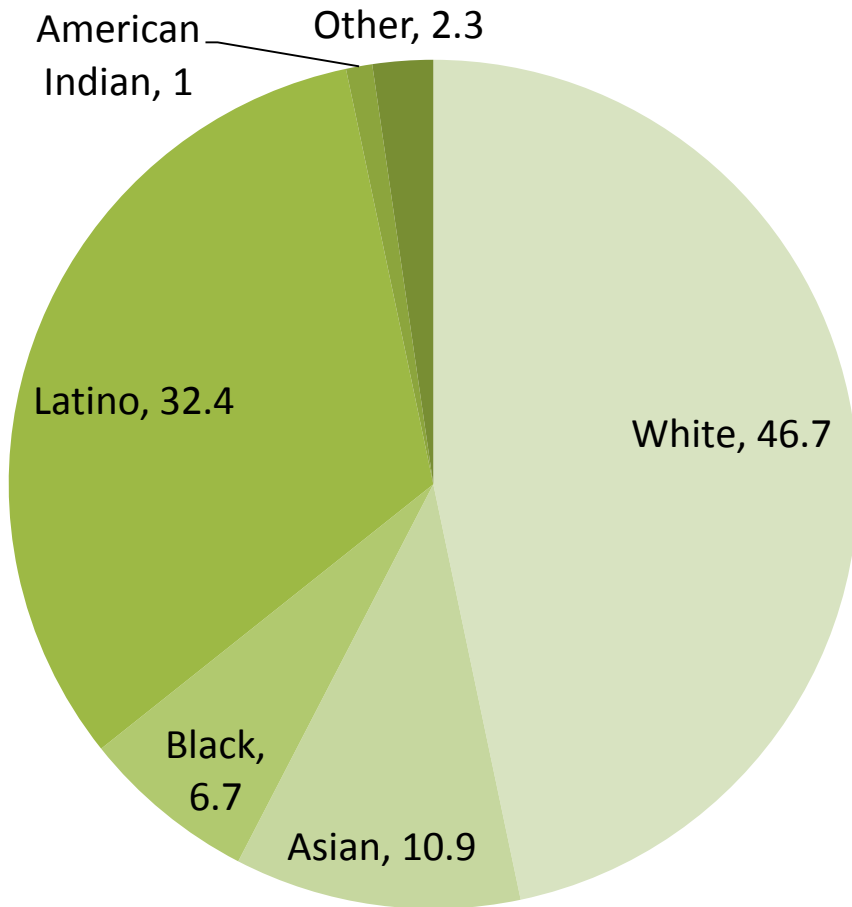
Year Cohort Turned 65	Percentage of Population Surviving from Age 21 to Age 65		Average Remaining Life Expectancy for Those Surviving to Age 65	
	Male	Female	Male	Female
1940	53.9	60.6	12.7	14.7
1950	56.2	65.5	13.1	16.2
1960	60.1	71.3	13.2	17.4
1970	63.7	76.9	13.8	18.6
1980	67.8	80.9	14.6	19.1
1990	72.3	83.6	15.3	19.6

**Table 2: Americans Age 65 or Older 1880-1990**

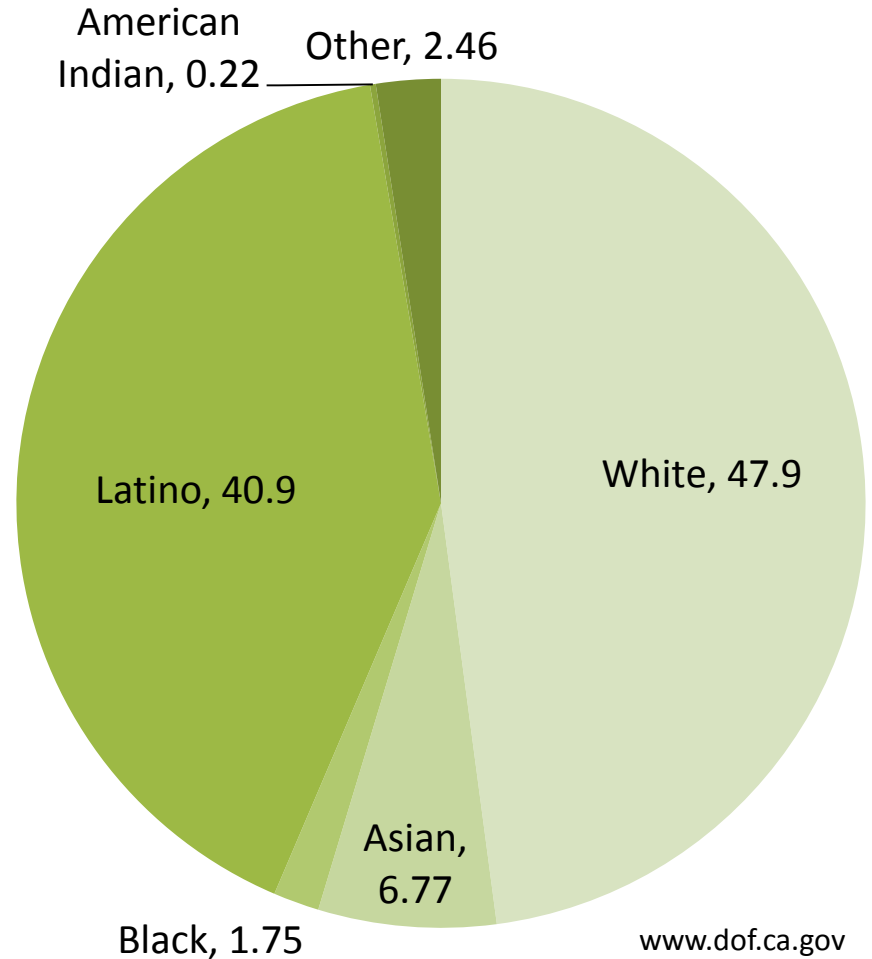
Year	Number of Americans Age 65 or Older
1880	1.7 million
1890	2.4 million
1900	3.0 million
1910	3.9 million
1920	4.9 million
1930	6.7 million
1940	9.0 million
1950	12.7 million
1960	17.2 million
1970	20.9 million
1980	26.1 million
1990	31.9 million
2000	34.9 million

# Demographics

**Demographics - CA**

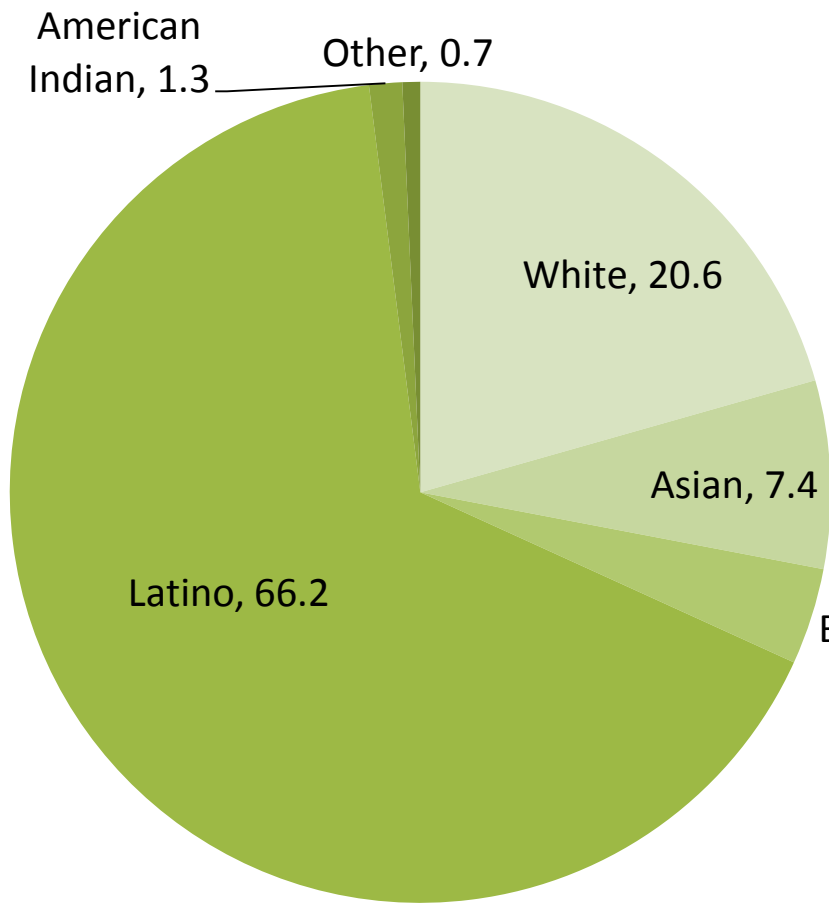


**Demographics - County of Ventura**

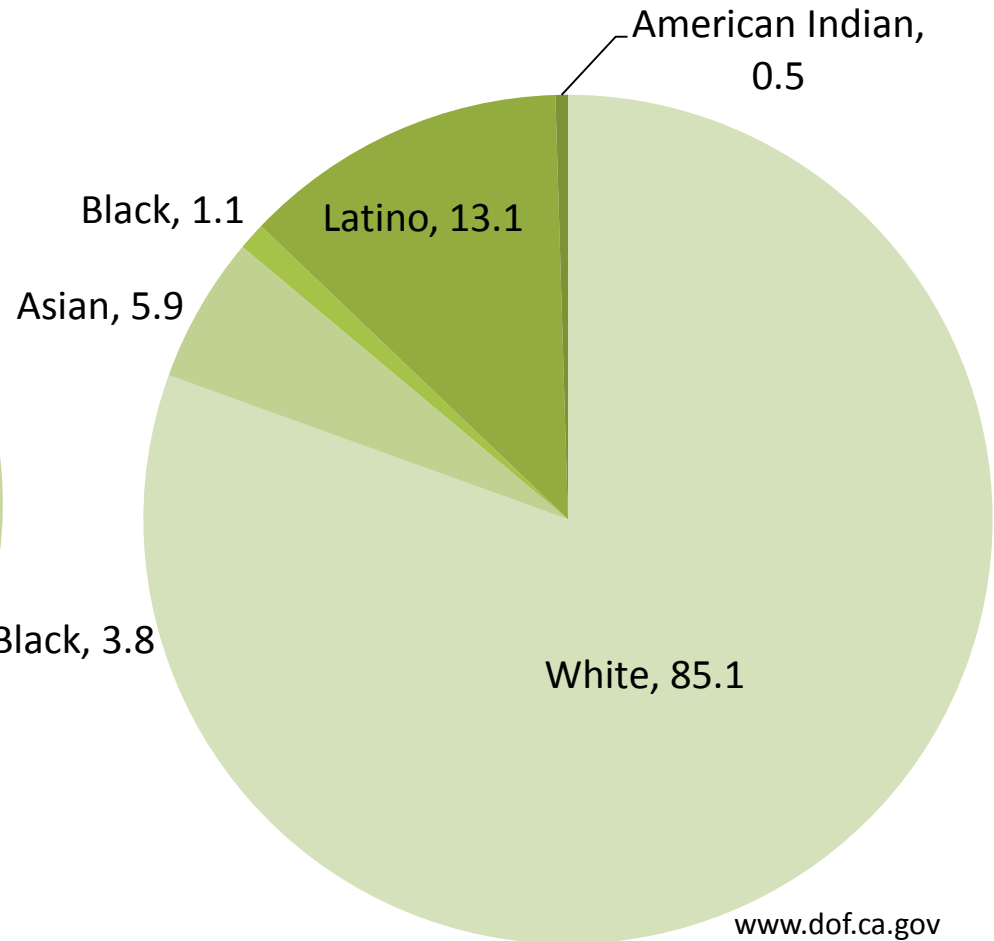


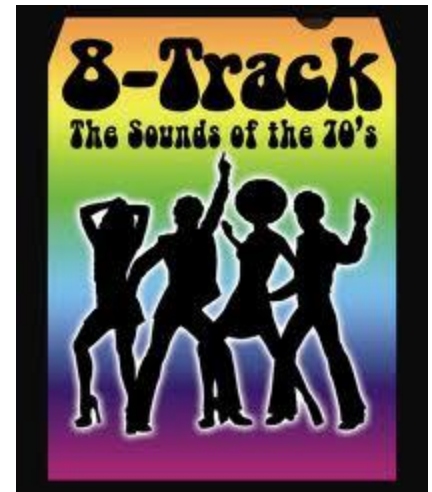
# Demographics

**Demographics - Oxnard**



**Demographics - Thousand Oaks**





# Change is Great – You go first!

“It is easier for companies to come up with new ideas, than to let go of old ones.”

- Peter Drucker





Copy



Address Book



Call

WE ALL  
DO IT



Record



Message/Directory



Mail

# Issue: Cash

PWA and GSA optimizing their heavy equipment tracking and eliminating the need to purchase this equipment.

- 1 Grader = \$225,000
  - 1 Roller = \$ 54,000
  - 1 Backhoe = \$150,000
- \$429,000**



Breaking down silos and having teams constantly thinking of ways to save.

**Priceless!**

Take away: Look for redundancies and seize opportunities

# Issue: Resource Allocation



**Cost Savings – by eliminating over processing**  
**\$600,000 – re-purposed to canal repairs**

Take away: Look for the waste of over-working and stop doing that!

# Issue: Service Capacity



Errorless process to  
send case files to DA  
= 1 FTE Social Worker

CFS Lean and Automated  
lookup  
= 3.3 FTE

Take away: Make your business process error-free, and use automation wisely

# Issue: Time

## Sheriff Forensics Dry Drug Analysis

### THEN

- 64 days to complete
- Backlog over 200 cases



### NOW

- 17 days
- Backlog down 50%
- Productivity up – more cases per scientist



Take away: Increase flow by eliminating unnecessary steps.

# Issue: Customer Service

Mean Number of Days to Process Planning  
Director-Approved Discretionary Permit Applications

	Baseline Metric:	New Metric:	
Permit Type	Average Processing Time (days)	Average Processing Time (days)	% Change in Processing Time
Planned Development Permit	285	101	64.6%
Minor Modification Permit	251	119	52.6%
Parcel Map Waiver/Lot Line Adjustment	191	83	56.5%
Parcel Map Waiver Merger	102	39	61.8%

Take away: Re-engineer the entire system.

# Basic Concepts of Lean Six Sigma

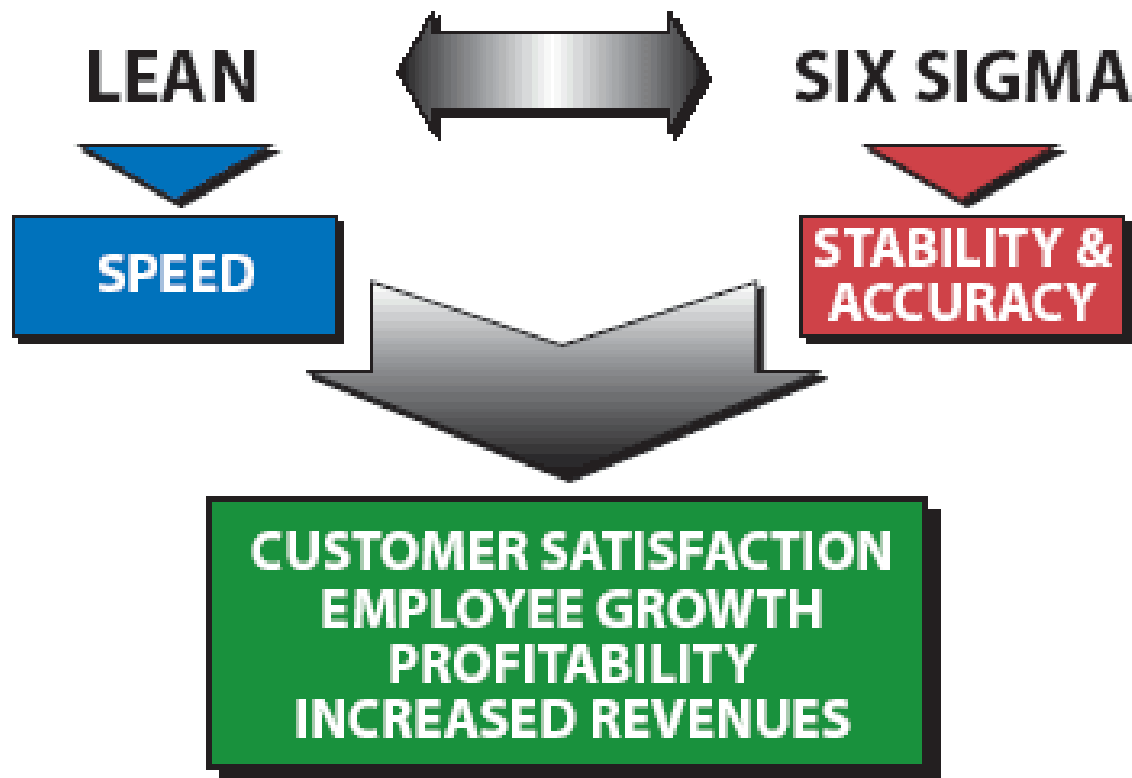
*“It’s never too late to become what you might have been.”*  
– George Eliot

When you have a  
hammer,  
everything starts  
to look like a nail



# Lean Six Sigma is . . .

## A POWERFUL UNION



## LEARN CONTINUOUSLY

Identify and  
Select  
Project

Scope and  
Approve  
Projects

Envision  
Customer  
Experience

Evaluate  
Performance

Identify  
Issues

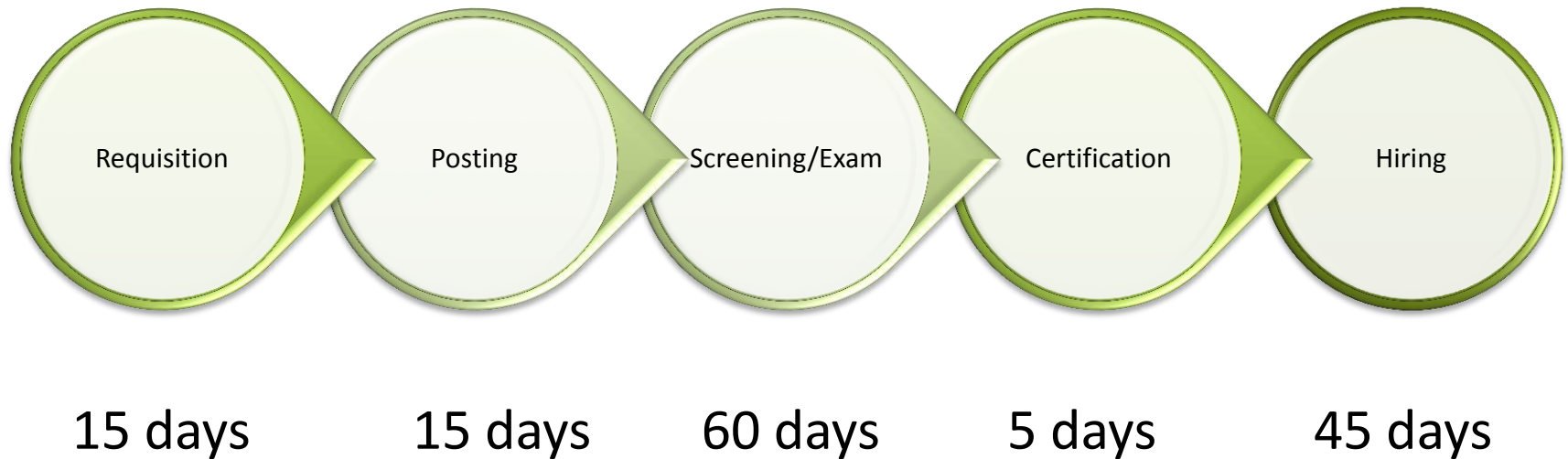
Analyze  
and Solve  
Problems

Sustain and  
Manage  
Gains

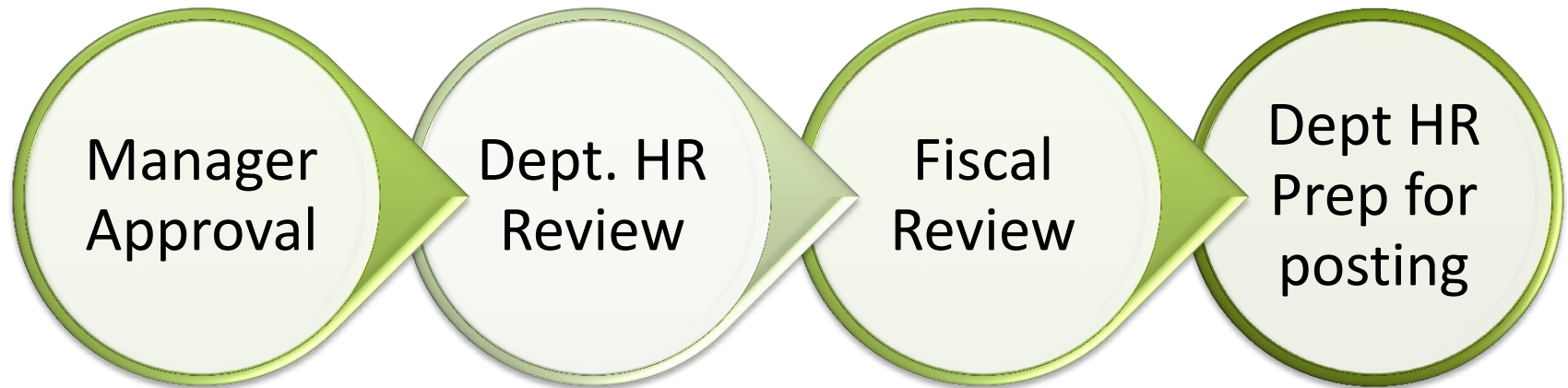
## EMPOWER EMPLOYEES

# IDENTIFY AND SELECT PROJECT

## HR Recruitment Value Stream



# IDENTIFY AND SELECT HR Requisition Value Stream





PHUO 1783 Registration and Billing Process

Date Initiated:  
Revision Date:  
Event Start Date:  
Event End Date:

### Project Information

ROLE	Phone No.	LAST NAME	FIRST NAME	AGENCY
Department Champion				
Value Stream Analysis Champion				
Team Lead				
Subject Matter Expert				
Subject Matter Expert				
Green Belt				
Green Belt				
Total Man Hours				
Event Type I	Kaizen			
Event Type II	Part of GTEP			

### Business Case

### Opportunity or Problem Statement/Business Impact

### Goal Statement

### Project Deliverables

In Scope

Out of Scope

Value Stream Champion

Date

# SCOPE AND APPROVE THE PROJECT

Contract with the  
team.

Provides guidance.

Sponsored by leaders

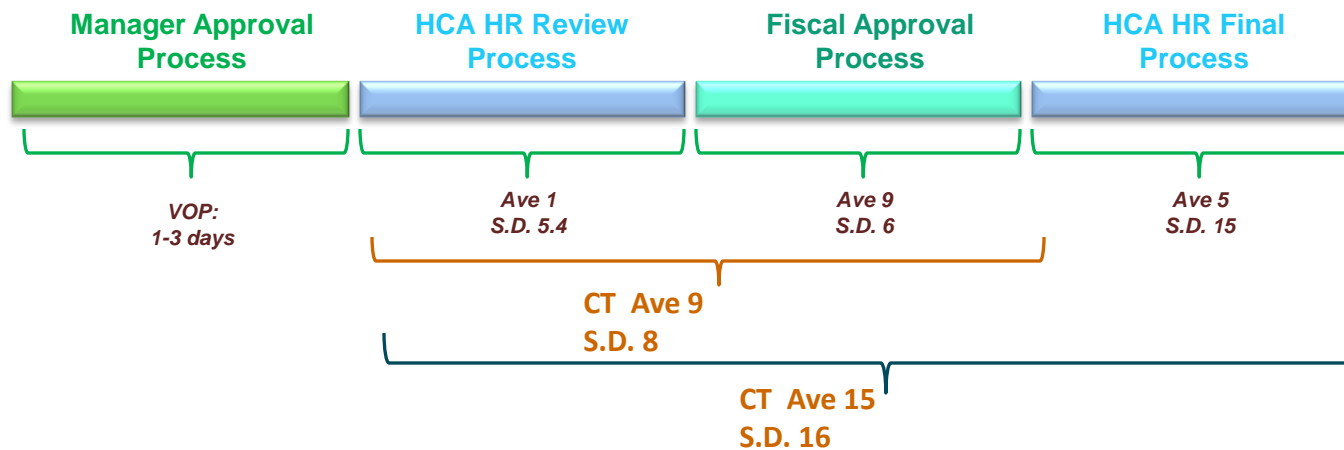
Be sure you have the  
right team and  
measurable goals.

# ENVISION CUSTOMER EXPERIENCE

Voice of the Customer



# EVALUATE CURRENT PERFORMANCE



**Goal = 5 days or less  
75% of the time**

Ave.	1 SD	2 SD	3 SD
15 days	31 days	46 days	62 days

# IDENTIFY THE ISSUES



# LEARNING TO SEE

## 8-WASTES

Defects

Overproduction

Waiting

Non-Utilization of  
people

Transportation

Inventory

Motion

Extra or over  
processing



VALUE  
VS.  
NON-VALUE

PROCESS  
VARIATION

ERROR  
OPPORTUNITY

# ANALYZE THE PROBLEMS



13 REVIEWS

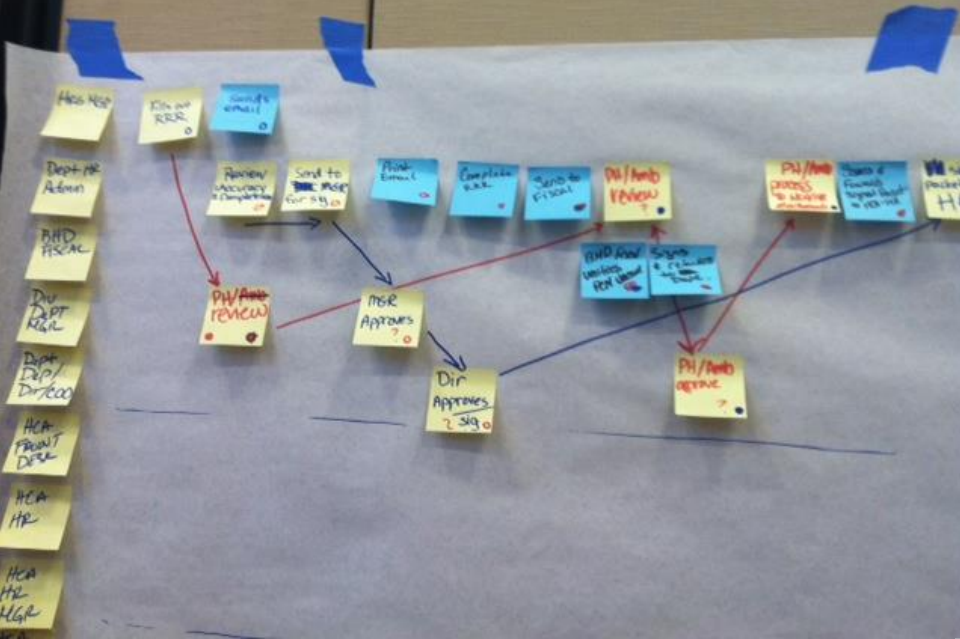
6 SIGS



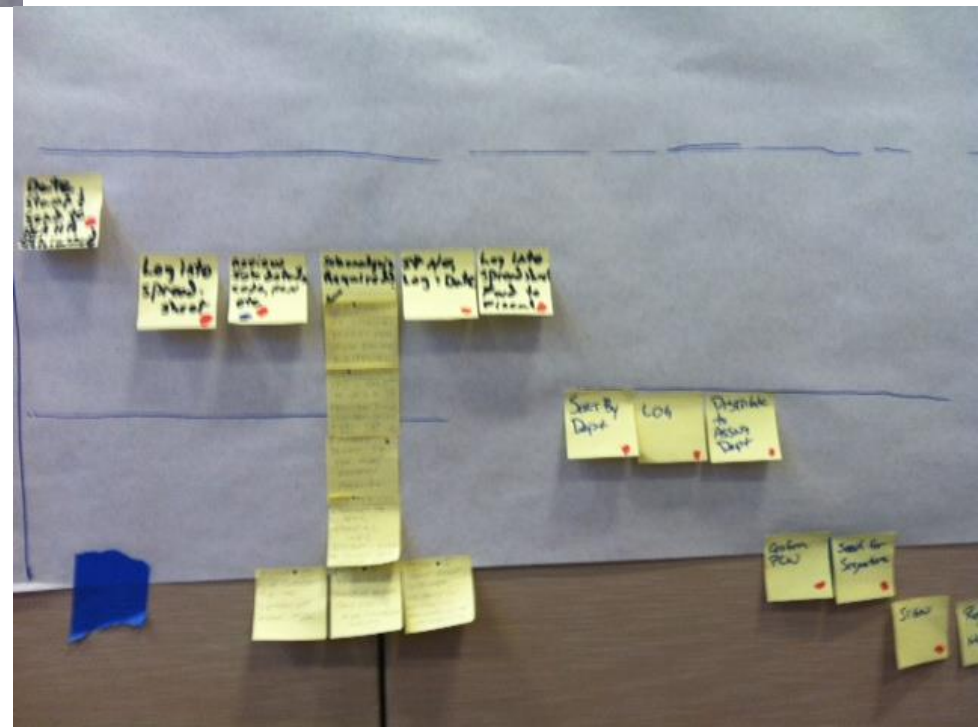
Determine if  
steps are  
**Value-added**  
Or  
**Non-value  
added**



Manager approval phase  
17 steps  
15 = NVA



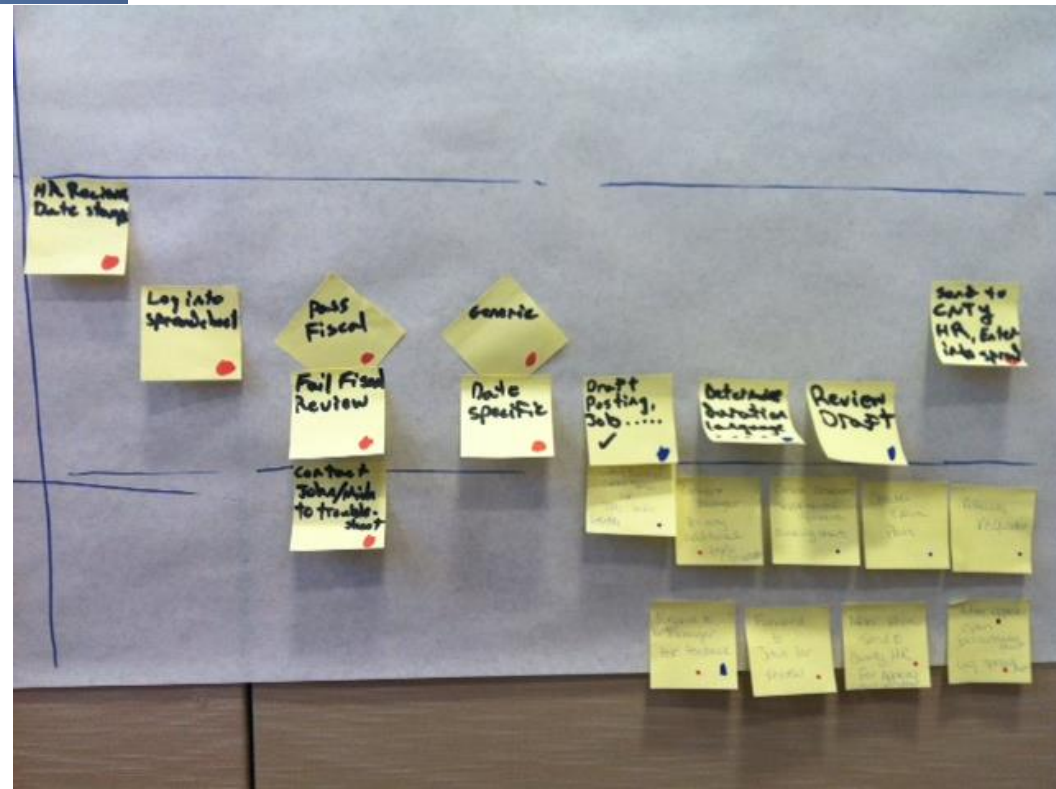
Initial HR Review phase  
19 steps  
12 = NVA

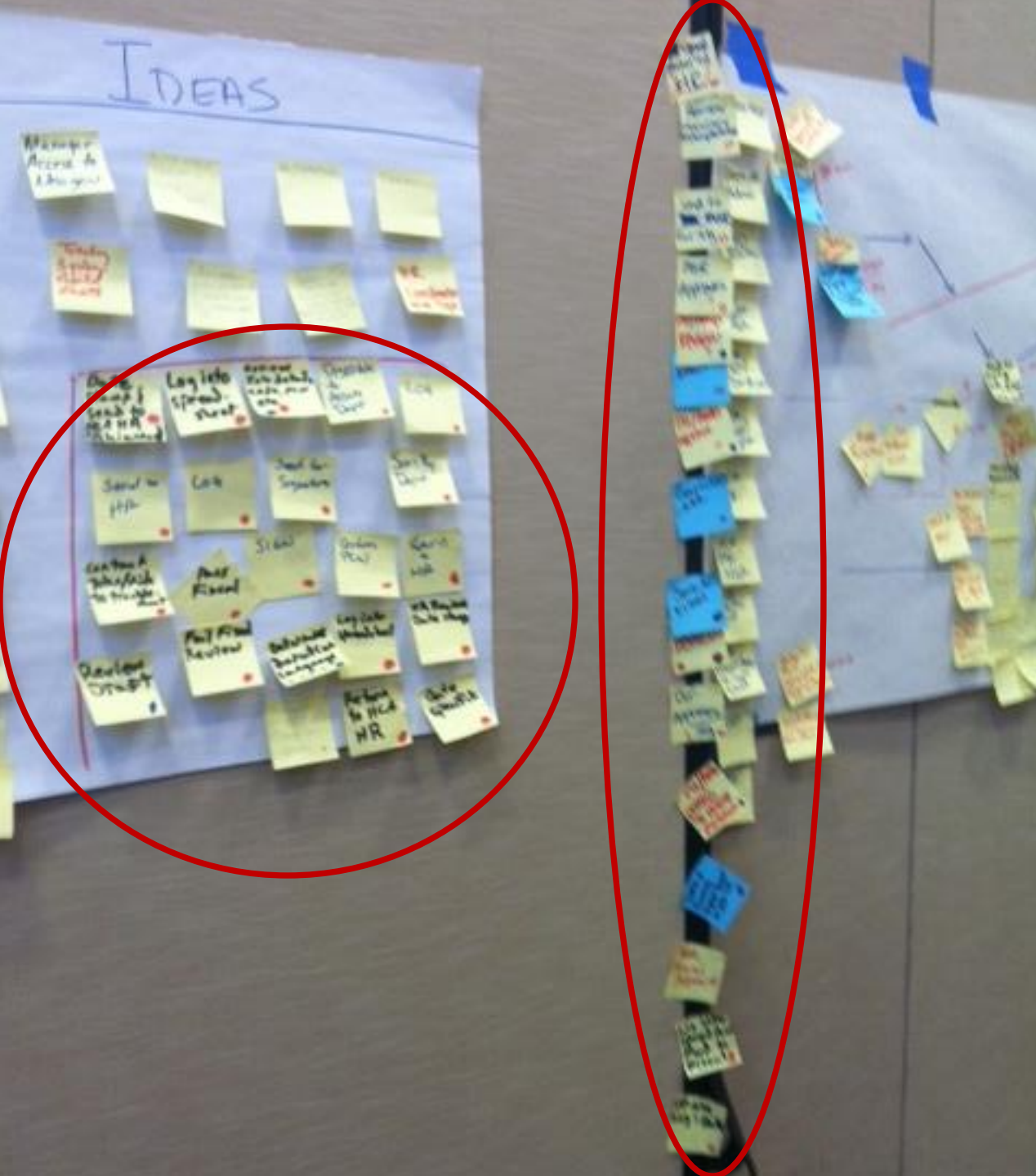




Fiscal Approval phase  
7 steps  
7 = NVA

Final HR process  
18 steps  
10 = NVA

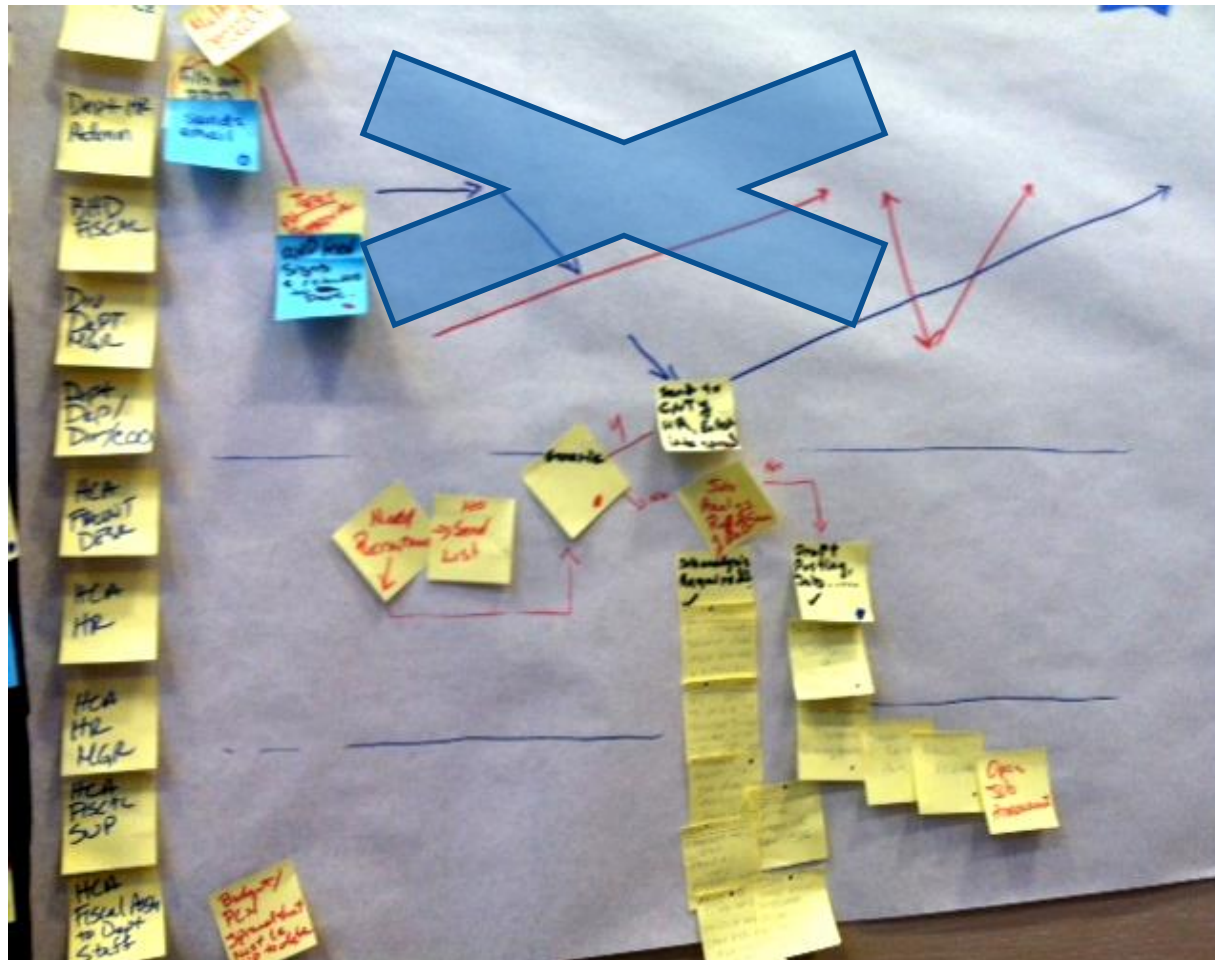




# Removed

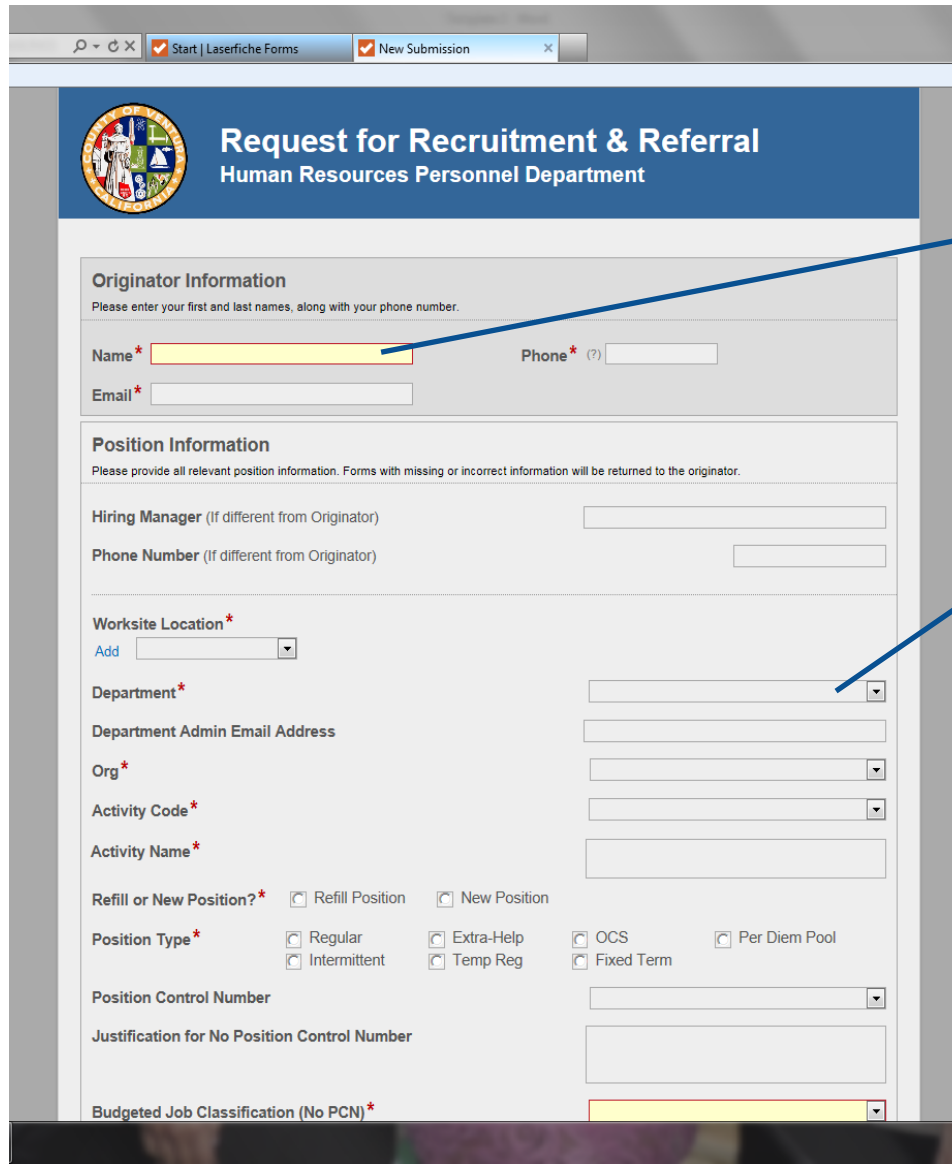
# 38 steps!

# SOLVE THE PROBLEMS




1 variation  
From  
61 steps  
To  
18 steps

# SUSTAIN THE GAINS



Start | Laserfiche Forms New Submission

 **Request for Recruitment & Referral**  
Human Resources Personnel Department

**Originator Information**  
Please enter your first and last names, along with your phone number.

Name\*  Phone\* (?)

Email\*

**Position Information**  
Please provide all relevant position information. Forms with missing or incorrect information will be returned to the originator.

Hiring Manager (If different from Originator)

Phone Number (If different from Originator)

Worksite Location\*  
Add

Department\*

Department Admin Email Address

Org\*

Activity Code\*

Activity Name\*

Refill or New Position?\* ☐ Refill Position ☐ New Position

Position Type\* ☐ Regular ☐ Extra-Help ☐ OCS ☐ Per Diem Pool  
☐ Intermittent ☐ Temp Reg ☐ Fixed Term

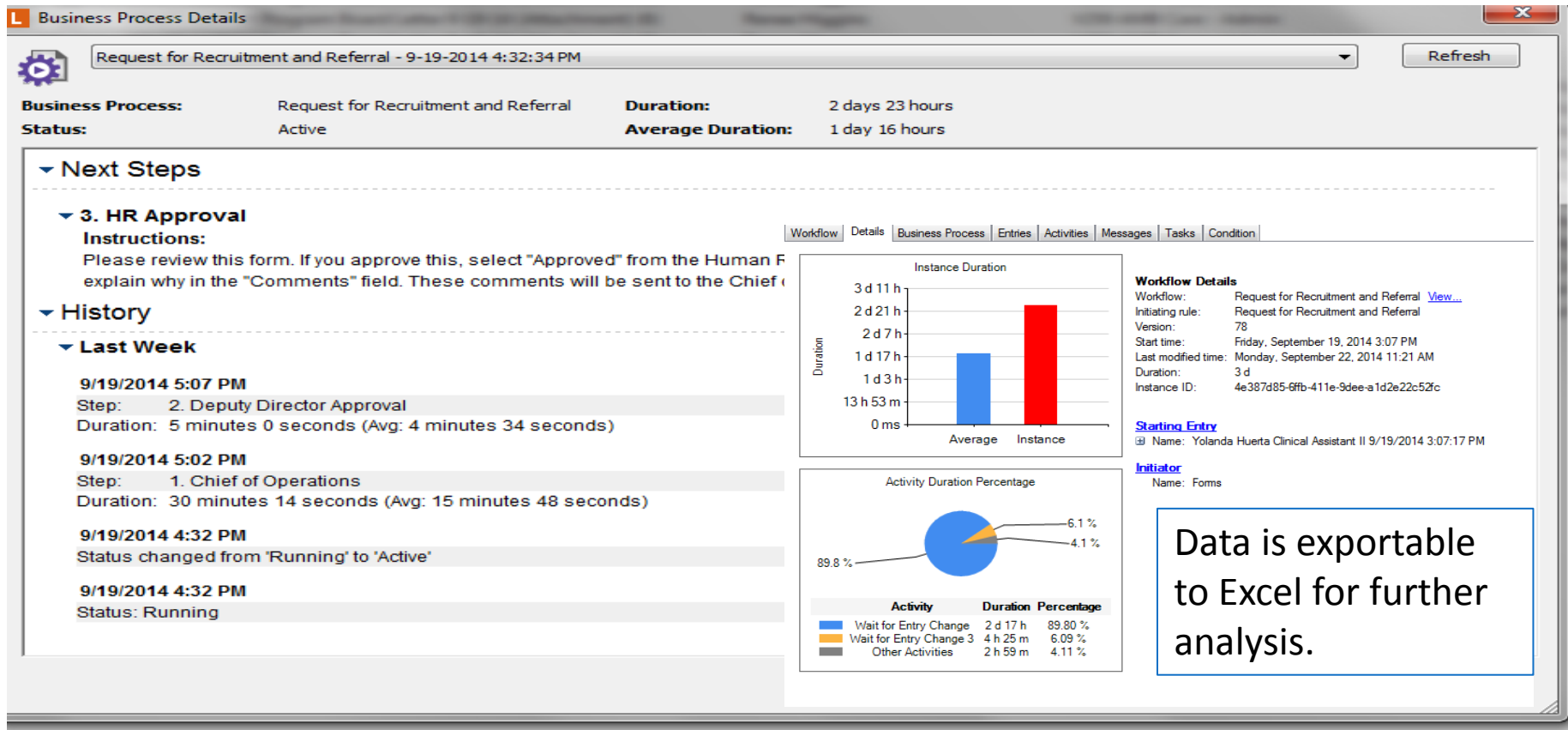
Position Control Number

Justification for No Position Control Number

Budgeted Job Classification (No PCN)\*

System communicates with submitter every step of the way.

Drop down boxes and auto population





# The Paradoxical Commandments of Government

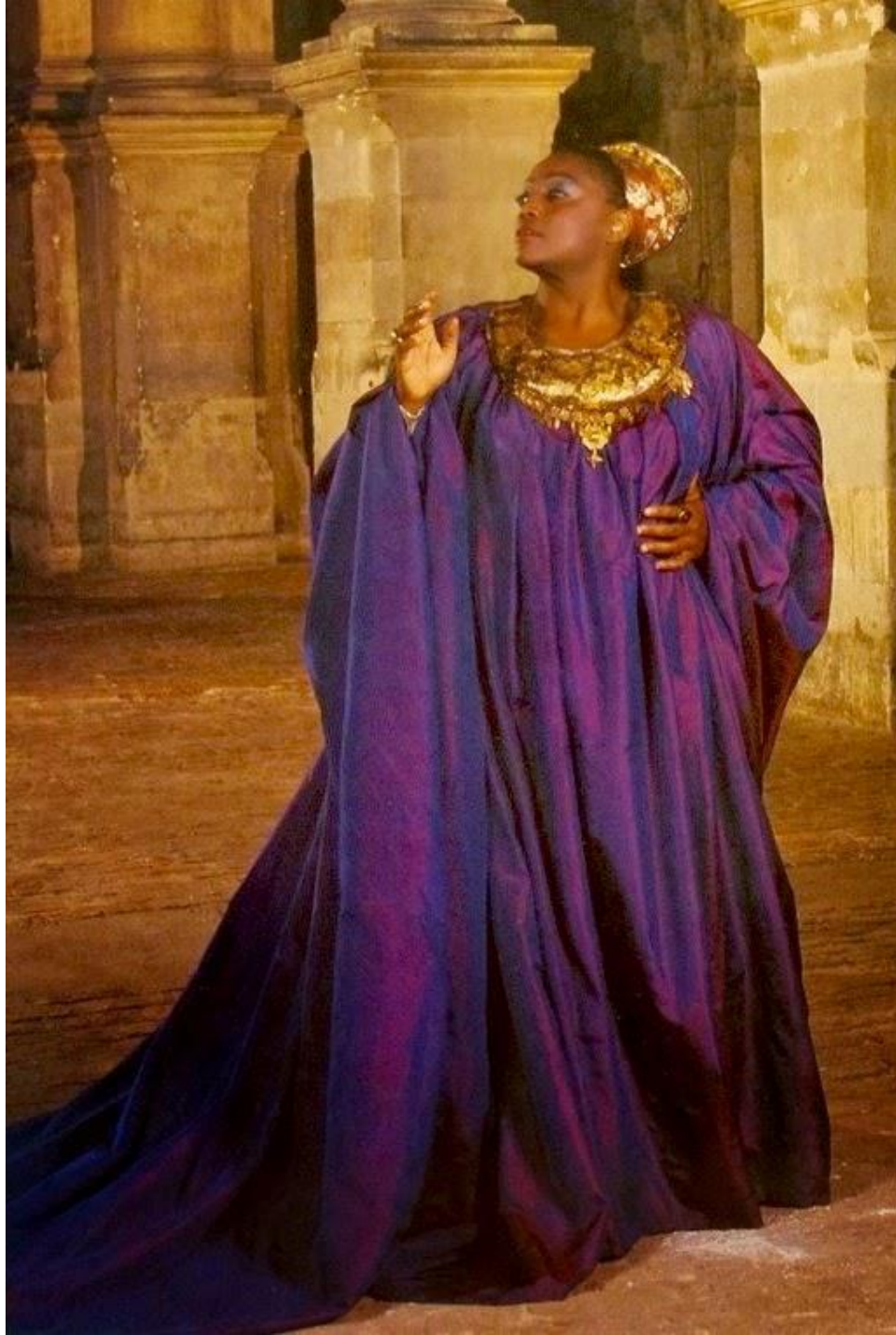
1. The reward for doing good work is more work. Do good work anyway.
2. All the money you save being more efficient will get cut from your budget now and forever. Find efficiencies anyway.
3. All the bold reforms you make will be undone by the next administration. Make bold reforms anyway.
4. There is no time to think about improving what we do. Make time anyway.
5. Employees may fight the change every step of the way. Involve them anyway.

# The Paradoxical Commandments of Government

6. The future is unpredictable and largely out of your hands. Plan anyway.
7. The press only cares when something goes wrong. Share your success stories anyway.
8. Legal will never let you do it. Simplify it anyway.
9. If you develop your people they will move on to better jobs. Train them anyway.
10. Your ideas will at best make someone else look good and at worst get you ostracized by your co-workers. Share your ideas anyway.

-Ken Miller

It  
ain't  
over  
until...



**May the bridges  
I burn light the  
way.**